

UNITED STATES Bankruptcy Court  
SOUTHERN DISTRICT of New York.

—AR—  
In Re:  
SEARS HOLDINGS CORPORATION

CHAPTER 11  
CASE NO  
18-23

DEBTORS

AFFIDAVIT OF SERVICE

1. JAMES SMITH, <sup>objection of claims</sup> EDWARD REDACT AND SAY  
that I am EMPLOYED BY SEARS  
ROEBUCK and CO [BRANDS], THE  
CLAIMS AND NOTICING USER FOR THE  
VENDORS MENTIONED in the above  
Captured Chapter 11 cases. DISALLOWED  
and expunged decisions in objections including  
ALL Documentation should protect opposing the objection.
2. ON 2/25 2021, AT my direction and  
under my own supervision myself  
caused the following document to  
be served

SEARS ROEBUCK and CO, JAMES SMITH, EDWARD, ATTN:  
SMITH JAMES EDWARD, 5167 33rd ANDREWS, 90062

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

☐ No

☐ Yes. Check one:

☐ Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).

☐ Up to \$2,850\* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).

☒ Wages, salaries, or commissions (up to \$12,850\*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).

☐ Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).

☐ Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).

☐ Other. Specify subsection of 11 U.S.C. § 507(a)( ) that applies.

Amount entitled to priority

\$ \_\_\_\_\_

\$ \_\_\_\_\_

\$ 392,000

\$ \_\_\_\_\_

\$ \_\_\_\_\_

\$ \_\_\_\_\_

\* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

13. Is all or part of the claim entitled to administrative priority pursuant to 11 U.S.C. § 503(b)(9)?

☐ No

☐ Yes. Indicate the amount of your claim arising from the value of any goods received by the Debtor within 20 days before the date of commencement of the above case, in which the goods have been sold to the Debtor in the ordinary course of such Debtor's business. Attach documentation supporting such claim.

\$ \_\_\_\_\_

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

☒ I am the creditor.

☐ I am the creditor's attorney or authorized agent.

☐ I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

☐ I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this Proof of Claim serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this Proof of Claim and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 3/19/19 (mm/dd/yyyy)

Signature

Print the name of the person who is completing and signing this claim:

Name of the person who is completing and signing this claim:

Name

First name

Middle name

Last name

Title

Company

Address

Contact phone

Number

Street

City

State

ZIP Code

Email

copy

James Edmond Smith  
5167 S ST ANDREWS PL  
LOS ANGELES, CA 90062

Case NO 18-23538 SEARS HEARING (2)  
See Docket NO 9284

proof of claim NO (19509)  
proof of claim NO (8092)  
proof of claim (13404) \* (13404 HAS DATE  
2/2019)

ATTN: Judge  
HONORABLE JUDGE Robert D Drain  
your Honor,

~~James Edmond Smith~~ <sup>he</sup>

A. Holidays. The Employee will be entitled to paid holidays and personal days each calendar

4. Benefits.

The Employer shall pay to the Employee in exchange for services rendered under this Agreement, compensation at the rate of \$74,000 per year, payable in installments according to the Employer's regular payroll schedule.

3. Compensation.

Administrative and Manager Accounts, Coordinate Support

The duties of the Employee shall include the performance of all of the duties described in the Agreement and such other duties and projects as may be assigned by the Employer. The Employee shall devote his/her productive time, energy, ability, and attention to the business of the Employer and shall perform all duties in a professional, ethical, and businesslike manner. The Employer will not, during the term of this Agreement, directly or indirectly engage in any other business, either as an employee, employer, consultant, principal, officer, director, advisor, or in any other capacity, either with or without compensation, without the prior written consent of the Employer. The Employer is authorized and directed to do the following duties:

2. Duties of Employee.

Employer hereby agrees to initially employ Employee as a Investor and the Employee hereby accepts such employment in accordance with the terms of this Agreement and the terms of employment applicable to regular employees of the Employer. In the event of any conflict or ambiguity between the terms of this Agreement and terms of employment applicable to regular employees, the terms of this Agreement shall control. Election or appointment of the Employee to another position, regardless of whether such position is inferior to the Employee's initial position, shall not be a breach of this Agreement.

1. Employment.

governing the terms and conditions of employment:

WHEREAS the Employer and the Employee wish to enter into an employment agreement

James Smith ("Employee") (each a "Party" or collectively, the "Parties"),

Seas Robbuck and Co. ("Employer"), and

09/01/2011 ("Effective Date") by and between

THIS EMPLOYMENT AGREEMENT ("Agreement") is made and entered into as of

EMPLOYMENT AGREEMENT

UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT

Fill in this information to identify the case (Select only one Debtor)

<input type="checkbox"/> Sears Holdings Corporation (18-23538)	<input type="checkbox"/> Kmart Corporation (18-23549)	<input type="checkbox"/> Sears, Roebuck de Puerto Rico, Inc. (18-23561)
<input checked="" type="checkbox"/> Sears, Roebuck and Co. (18-23537)	<input type="checkbox"/> MaxServ, Inc. (18-23550)	<input type="checkbox"/> SYW Relay LLC (18-23562)
<input type="checkbox"/> Kmart Holding Corporation (18-23539)	<input type="checkbox"/> Private Brands, Ltd. (18-23551)	<input type="checkbox"/> Wally Labs LLC (18-23563)
<input type="checkbox"/> Kmart Operations LLC (18-23540)	<input type="checkbox"/> Sears Development Co. (18-23552)	<input type="checkbox"/> Big Beaver of Florida Development, LLC (18-23564)
<input type="checkbox"/> Sears Operations LLC (18-23541)	<input type="checkbox"/> Sears Holdings Management Corporation (18-23553)	<input type="checkbox"/> California Builder Appliances, Inc. (18-23565)
<input type="checkbox"/> ServiceLive, Inc. (18-23542)	<input type="checkbox"/> Sears Home & Business Franchises, Inc. (18-23554)	<input type="checkbox"/> Florida Builder Appliances, Inc. (18-23566)
<input type="checkbox"/> A&E Factory Service, LLC (18-23543)	<input type="checkbox"/> Sears Home Improvement Products, Inc. (18-23555)	<input type="checkbox"/> KBL Holding Inc. (18-23567)
<input type="checkbox"/> A&E Home Delivery, LLC (18-23544)	<input type="checkbox"/> Sears Insurance Services, L.L.C. (18-23556)	<input type="checkbox"/> KLC, Inc. (18-23568)
<input type="checkbox"/> A&E Lawn & Garden, LLC (18-23545)	<input type="checkbox"/> Sears Procurement Services, Inc. (18-23557)	<input type="checkbox"/> Sears Protection Company (Florida), L.L.C. (18-23569)
<input type="checkbox"/> A&E Signature Service, LLC (18-23546)	<input type="checkbox"/> Sears Protection Company (18-23558)	<input type="checkbox"/> Kmart of Washington LLC (18-23570)
<input type="checkbox"/> FBA Holdings Inc. (18-23547)	<input type="checkbox"/> Sears Protection Company (PR) Inc. (18-23559)	<input type="checkbox"/> Kmart Stores of Illinois LLC (18-23571)
<input type="checkbox"/> Innoval Solutions, Inc. (18-23548)	<input type="checkbox"/> Sears Roebuck Acceptance Corp. (18-23560)	<input type="checkbox"/> Kmart Stores of Texas LLC (18-23572)

## Proof of Claim

Read the instructions before filling out this form. This form is for making a claim for request for payment of an administrative expense, other than a claim entitled to ad such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on a that support the claim, such as promissory notes, purchase orders, invoices, itemized stat security agreements. Do not send original documents; they may be destroyed after sce

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to

Fill in all the information about the claim as of the date the case was filed. That date

### Part 1: Identify the Claim

1. Who is the current creditor?

James Edmond Smith

Name of the current creditor (the person or entity to be paid for this:

Other names the creditor used with the debtor James Edn

gre

**SEARS HOLDINGS CORPORATION  
CASH RIGHT – ADDENDUM TO  
RESTRICTED STOCK AWARD AGREEMENT**

September 7, 2011  
James E. Smith  
Director,

As of September 1, 2011, Sears Holdings Corporation (the “Company”) distributed to its shareholders (the “Distribution”) all the shares of Class A Common Stock, par value \$0.01 per share and Series A Preferred Stock, par value \$0.01 per share (collectively “OSH Shares”), of Orchard Supply Hardware Stores Corporation (“OSH”) held by the Company immediately prior to the Distribution. Pursuant to action taken by the Company under the Sears Holdings Corporation 2006 Stock Plan (the “Plan”), instead of a distribution of such OSH Shares with respect to any unvested shares of restricted stock awarded under the Plan as of December [30,] 2012 the record date for the Distribution (“Unvested Restricted Shares”), a cash right (“Cash Right”) has been approved. Based on the Unvested Restricted Shares awarded to you under the Restricted Stock Award Agreement dated [date], you are hereby awarded the [Cash Right / Cash Rights] indicated below in lieu of any and all rights you would otherwise have had to OSH Shares (and/or cash in lieu of fractional OSH Shares) with respect to such Unvested Restricted Shares. Any Cash Right is subject to the same vesting requirements and other terms set forth in the Restricted Stock Award Agreement dated April 27, 2011 applicable to the Unvested Restricted Shares.

<u>Date of Grant</u> September 1, 2011		Unvested Restricted Shares		<u>Cash Right</u> \$50,000 payable \$50,000 payable \$50,000 payable		<u>Vesting Date</u> September 1, 2012 September 1, 2013 September 1, 2014
Sears Hometown[SHOS]		6,275,000.Shares[SHOS]		\$15.00...(per share)		Jan, 2012-2026
6 5/8% senior secured Notes:		147,000,000 .. Shares		Notes vary...		June, 2018

OR

		Unvested Restricted Shares				Vesting Date September 1, 2012
Date of Grant September 1, 2011				Cash Right(s) \$50,000 vest \$50,000 vest \$50,000 vest		September 1, 2013 September 1, 2014

IN WITNESS WHEREOF, the parties have duly executed this Cash Right – Addendum to Restricted Stock Award Agreement.

**SEARS HOLDINGS CORPORATION**  
By: /s/ Phelan, William K.

**Part 2: Give Information About the Claim as of the Date the Case Was I**

6. Do you have any number you use to identify the debtor? ☐ No ☒ Yes. Last 4 digits of the debtor's account or any number

7. How much is the claim? \$ 874,000 Does this amount include charges? ☒ No ☐ Yes. Attach statement of charges

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed. Attach redacted copies of any documents supporting the claim. Limit disclosing information that is entitled to privacy, such as Social Security numbers, medical records, etc.  
Unpaid wages.

9. Is all or part of the claim secured? ☐ No ☒ Yes. The claim is secured by a lien on property.  
Nature of property:  
☐ Real estate. If the claim is secured by the debtor's real estate, attach a copy of the deed or mortgage. Attachment (Official Form 410-A)  
☐ Motor vehicle  
☒ Other. Describe: Contract (work order)

Basis for perfection: \_\_\_\_\_  
Attach redacted copies of documents, if any, that establish the basis for perfection (for example, a mortgage, lien, certificate of title, financing statement, etc., if they have been filed or recorded.)

Value of property: \$ \_\_\_\_\_

Amount of the claim that is secured: \$ \_\_\_\_\_

*gfe*

**NOTE: This Document is used only for Borrowers Providing a Letter of Credit.**

**IRREVOCABLE STANDBY LETTER OF CREDIT**

**TO: Sears Investment Inc.  
Director: James E. Smith  
5167 S St Andrews Pl  
Los Angeles CA, 90062**

**ISSUER**

**Sears Roebuck and Co.,  
Sears Receivables Financing Group, Inc. and First Trust of Illinois,  
National Association: as Trustee**

**JAMES E. SMITH  
BENEFICIARY**

**SEARS ROEBUCK AND CO.  
APPLICANT (BORROWER)**

**\$1,244,046,492.83  
AMOUNT**

**10/14/2012  
ISSUE DATE**

**12/31/2026  
EXPIRATION DATE**

**LETTER OF CREDIT: Issuer establishes and issues this irrevocable standby letter of credit ("Letter of Credit") in favor of Beneficiary in the amount indicated above. Beneficiary may draw on this Letter of Credit with a Draft or Drafts together with the documents described below. The Letter of Credit is payable within three (3) business days after presentation to Issuer of demand for payment. This Letter of Credit is irrevocable and non-transferable.**

**DRAWINGS: Partial drawings are permitted without limitation as to the maximum number of drawings that may be made up to the amount of this Letter of Credit. The presentation of any Draft shall reduce the amount available under this Letter of Credit by the amount of the Draft.**



I Work for Sears Roebuck  
and Co Since 2013 my position  
as Senior Director my Reaungs  
CPA and Market Investments  
with Returns around 10%  
per yr Information Provided  
to PrimeClerk states 1) 74,000  
yr Job contract

2) WORK BONUS 50,000 yr

3) WORK Budget 1,400 Billion  
plus +2% and Intrest

4) Original Submitted  
PrimeClerk Documents

He

I worked for Sears Roebuck and Co  
Since 2013. my position as Sr Director  
Required me to Review files and  
based on my budget figure out  
what market item would increase  
my Debt to Income Ratio my  
10% percent Increased Return per  
is all that is Required. I have  
included my Budget Verify  
letter from a law firm along  
with my work forms and Bonus  
amount of \$74,000 yearly for  
Sears consistent as Sr Director  
\$50,000 yearly Bonus cash  
business letter of Credit was  
under \$1.5 billion and received  
20% increase for totaling you have  
seems Reaffirmed which is  
2.4 Billion